GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2166
ANSWERED ON:04.08.2000
COMMITTEE ON TAXATION OF LIC
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have constituted an Expert Committee on taxation of Life Insurance sector;

(b) if so, the terms of reference of the Committee;

(c) whether the Committee has submitted its report;

(d) if so, the details of recommendation made by the Committee;

(e) the reaction of the Government thereto; and

(f) if not, the time by which the report is likely to be submitted?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (V. DHANANJAYA KUMAR)

(a) : Yes, Sir.

(b) : The Expert Committee is required toexamine various aspects relating to taxation of life insurance sector including, inter alia, the international practices in this regard, and to recommend the taxation structure in respect of profits of the life insurance business under the Income-tax Act, 1961, keeping in view the fact that life insurance sector has now been opened up for private companies also and it is no more the exclusive privilege of the Life Insurance Corporation of India.

(c) : No, Sir.

(d) : Does not arise in view of (c) above.

(e) : Does not arise in view of (c) above.

(f) : The Committee was constituted on 20th April, 2000 and is required to submit its report within four months.